GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

STARRED QUESTION NO:517
ANSWERED ON:25.04.2003
EXPORT TARGET OF TEXTILES
BHUPENDRASINH PRABHATSINH SOLANKI;SULTAN SALAHUDDIN OWAISI

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government have not been able to achieve the target of export of textiles during the last financial year 2002-2003;

(b) the details in this regard along with the main reasons therefor;

(c) whether the Government propose to make any efforts to achieve this target; and

(d) if so, the details thereof ?

Answer

MINISTER OF TEXTILES (SHRI KASHIRAM RANA)

(a) to (d) A statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (d) of Lok Sabha Starred Question No. 517 for 25-04-2003

(a)&(b) As per the available DGCIS export data, the textile exports during the period April-December 2002 have amounted to US$ 8849.4 million which when compared with the exports of US$ 7814.6 million during the corresponding period of 2001 show a growth of 13.2%. This means that 59% of the export target of US$ 15,005 million fixed for the year 2002-03 has been achieved during the period April-December, 2002. It may be added that the textile exports declined by 1.9% in 1st quarter (April-June, 2002).However, textile exports have increased by 18.6% in 2nd quarter (July-September, 2002) and 24.8% in 3rd quarter (October-December, 2002). This indicates the downtrend in textile exports has been reversed and they are back on path of export growth. However, the exports during the year have been affected by the general slowdown in the economies of some of our major trading partners like the US; Iraq war condition; increased competition from countries like China, Bangladesh; and high production cost; low productivity due to lack of modernisation of textile industry.

(c)&(d) Government have been taking a number of measures to strengthen the domestic textile industry for meeting the growing global competition and for achieving export targets. Some of the important initiatives are:-

i) The Government has de-reserved the woven segment of readymade garment from the SSI sector.It has also raised the SSI investment limit for knitted segment to Rs. 5 crores.

ii) The Technology Upgradation Fund Scheme (TUFS) has been made operational from 1-4-1999 to facilitate the modernisation and upgradation of the sector.

iii) Weaving, processing and garment machinery, which are covered under TUFS, have been extended the facility of accelerated depreciation at the rate of 50%. Cost of machinery has also been reduced through Fiscal Policy measures.This further encourages modernisation.

iv) With a view to encouraging backward integration, the custom duty on shuttleless looms and other important textile machinery items has been brought down to 5%.

v) National Institute for Fashion Technology (NIFT), its six branches and Apparel Training & Design Centres (ATDCs) are running various courses/programmes to meet skilled manpower requirements of textile industry especially apparel in the field of design, merchandising and marketing.

vi) Facilities by way of eco-testing laboratories have been created to enable exporters to get the garments/textiles pre-tested for conforming to the requirements of importing countries.

vii) The Government has launched a centrally sponsored scheme titled `Apparel Park for Export Scheme` for imparting focused thrust for setting up of apparel manufacturing units of international standards at potential growth centres and to give fillip to exports.

viii) For upgrading infrastructure facilities at important textile centers, a scheme `Textile Centre Infrastructure Development Scheme (TCIDS) has been launched.